



Chile Project (#S199900030)

U.S. Department of State

United States Department of State

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## INFORMATION MEMORANDUM

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S/S

## DECAPTIONED

November 29, 1984

See HH-Adm's memo  
concerning on this  
subject

TO: The Deputy Secretary

FROM: S/P - Peter W. Rodman *PWR*

SUBJECT: U.S. Policy Toward Chile

The Department has been reassessing our policy toward Chile in light of President Pinochet's state of siege declaration. I fear that in our frustration over this setback in the democratic transition process we may embrace a pressure strategy that could be counterproductive.

There is no escaping the fact that our ability to influence Pinochet is almost nil. This is not to say that Chile is immune to U.S. pressure. By voting against IFI loans or through other expressions of no-confidence in the Chilean government we can send the Chilean economy into a downward spiral. But this would be unlikely to have the desired effect on Pinochet. The military would probably unify behind him; he would probably resort to increased repression and try to tough it out. Chile would become further polarized. We would have a full-blown crisis on our hands with no solutions in sight.

There are serious problems with the incentive side of a pressure strategy as well. I doubt that we can put together a package of economic rewards attractive enough to affect Pinochet's calculations. Even if we can assemble an attractive package, Pinochet would suspect that our Congress would find a way to make it impossible for us to follow through. If we pursue this strategy, the most likely outcome is as follows: we would offer Pinochet a meager economic package, demanding advancement of the transition process in return; Pinochet would rebuff our proposal in disgust; we would have further eroded our own influence with the Chilean government and gained nothing in return.

It has been argued that if we do not initiate a pressure campaign against Pinochet, Congress surely will force our hand. This is never an adequate reason for doing something our

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own analysis tells us is the wrong thing to do. There is little reason to suppose that just because we act, Congress will stay on the sidelines; we can expect heavy Congressional interference on Chile no matter what policy line we adopt. More important, while we cannot ignore Congressional concerns about human rights and democratization, neither can we allow Congress to drive our policy. We must adopt the most sensible possible policy toward Chile and then fight to defend it. Chileans can tell the difference between Congress and the Executive, and it is clear that a particular moral and political importance will be attached to the posture that Ronald Reagan's Administration adopts, whatever the Congress is doing.

The pivotal issue for our strategy ought to be whether we can strengthen the democratic forces of the center and center-right in Chile and get them to split decisively from the extreme leftists with whom they are now allied. We should make clear to the moderate forces that they will gain more support from us if they split from the Communists. This will not be easy; strengthening the moderates will have to be the focus of a long-term effort and a coordinated approach involving more attention and resources for Chile from State, CIA, USIA, and the National Endowment for Democracy. It may well fail--given the pathetic weakness of the moderate forces ever since 1970. It may turn out in the end that there is no durable moderate center, and that we will face the choice of whether Pinochet or the radical left is more harmful to U.S. interests. In any case, I consider it irresponsible for us now to launch a campaign to accelerate the pace of events when we do not have a clue about what forces could replace Pinochet if we undermined him.

The more activist approach favored by ARA may well have the saving grace that it is really ineffectual and therefore harmless. Nevertheless, I think it is essential for us to focus on the key issue: whether there is a moderate center in a position to inherit if Pinochet is undermined. I favor the more cautious Option 2 in the ARA memo of November 21 (reliance primarily on press statements, high-level visits, and symbolism to make known our concerns about human rights and the transition process), coupled with a serious long-term attempt to strengthen the democratic moderates and split them from the hard-core left.

Drafted: S/P: RBrabant/ <sup>83</sup>FWRodman: ejw  
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